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Mexico

Dairy and Products

Dairy Annual

2006

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Report Highlights:

Fluid milk production is expected to continue rising in 2007, along with other dairy products such as cheese and butter. Mexico's parastatal LICONSA is expected to expand its utilization of domestic fluid milk in 2007 to augment its feeding programs, which could displace milk powder use. Imports of U.S. dairy cattle are expected to resume in October 2006, ending the ban Mexico imposed in 2003 due to BSE.

Includes PSD Changes: Yes

Includes Trade Matrix: Yes

Annual Report

Mexico [MX1]

[MX]

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SECTION I. SITUATION AND OUTLOOK

Dairy Situation and Outlook: Mexico's fluid milk production continues to grow modestly and is expected to increase to 10.26 MMT in 2007. The production estimate for 2006 has been revised higher reflecting the use of improved feeds. However, if feed grain prices continue to rise, milk quality will suffer as producers reformulate their feeding supplies with lower priced forages, grasses and lower quality grains, possibly resulting in lower prices received for their milk. Leche Industrializada CONASUPO (LICONSA), Mexico's parastatal company charged with distributing milk to the poor, continues to increase its utilization of domestically produced fluid milk buying at a government mandated price of 3.84 pesos per liter (\$0.35 U.S.). Imports of non-fat dry milk powder (NFDM) are forecast at 170,000 MT in 2007, slightly lower from the unchanged figure in 2006. Cheese production is forecast to increase slightly in 2007, and industry's emphasis on producing more fluid milk domestically is expected to lead to higher domestic cheese production in 2006. Cheese production for 2005 reflects official data. Imports of cheese are forecast modestly higher in 2007. Cheese imports for 2005 are revised upward reflecting official data.

In continuation of Mexico's retaliatory actions in response to the WTO ruling on the Byrd amendment, Mexico announced it will temporarily apply a duty rate of 110 percent on imports of preparations made from milk products with a milk solids content in excess of 50 percent by weight, outlined in tariff code 1901.90.05. This ruling is in effect from September 14, 2006 to October 31, 2006. (See MX6078).

Dairy cattle imports to Mexico from the United States are expected to resume in 2006 following conclusion of an agreement that ends the ban Mexico imposed in 2003, following the detection of a single case of BSE in Washington State. Mexico has not imported dairy cattle from the United States since December 24, 2003.

Note: Currently, the Mexican peso is valued at US\$11.09.

SECTION II. STATISTICAL TABLES

PS&D Dairy, Milk, Fluid

PSD Table						
Country:	Mexico					
Commodity:	Dairy, Milk, Fluid (1000 Metric Tons)					
	2005		2006		2007	
	Old	New	Old	New	Old	New
Calendar Year Begin	01/2005		01/2006		01/2007	
Cows In Milk	6850	6850	6875	6875		6885
Cows Milk Production	9855	9855	9976	9998		10100
Other Milk Production	161	161	161	163		165
TOTAL Production	10016	10016	10137	10161		10265
Intra EC Imports	0	0	0	0		0
Other Imports	70	77	70	70		70
TOTAL Imports	70	77	70	70		70
TOTAL SUPPLY	10086	10093	10207	10231		10335
Intra EC Exports	0	0	0	0		0
Other Exports	0	0	0	0		0
TOTAL Exports	0	0	0	0		0
Fluid Use Dom. Consum.	4266	4266	4295	4305		4344
Factory Use Consum.	5820	5827	5912	5926		5991
Feed Use Dom. Consum.	0	0	0	0		0
TOTAL Dom. Consumption	10086	10093	10207	10231		10335
TOTAL DISTRIBUTION	10086	10093	10207	10231		10335

PS&D Dairy, Cheese

PSD Table						
Country:	Mexico					
Commodity:	Dairy, Cheese (1000 Metric Tons)					
	2005		2006		2007	
	Old	New	Old	New	Old	New
Calendar Year Begin	01/2005		01/2006		01/2007	
Beginning Stocks	0	0	0	0		0
Production	136	143	138	145		147
Intra EC Imports	0	0	0	0		0
Other Imports	85	89	86	86		88
TOTAL Imports	85	89	86	86		88
TOTAL SUPPLY	221	232	224	231		235
Intra EC Exports	0	0	0	0		0
Other Exports	2	2	2	2		2
TOTAL Exports	2	2	2	2		2
Human Dom. Consumption	219	230	222	229		233
Other Use, Losses	0	0	0	0		0
Total Dom. Consumption	219	230	222	229		233
TOTAL Use	221	232	224	231		235
Ending Stocks	0	0	0	0		0
TOTAL DISTRIBUTION	221	232	224	231		235

PS&D Dairy, Butter

PSD Table						
Country:	Mexico					
Commodity:	Dairy, Butter (1000 Metric Tons)					
	2005		2006		2007	
	Old	New	Old	New	Old	New
Calendar Year Begin	01/2005		01/2006		01/2007	
Beginning Stocks	0	0	0	0		0
Production	89	93	92	92		93
Intra EC Imports	0	0	0	0		0
Other Imports	55	51	55	55		55
TOTAL Imports	55	51	55	55		55
TOTAL SUPPLY	144	144	147	147		148
Intra EC Exports	0	0	0	0		0
Other Exports	0	0	0	0		0
TOTAL Exports	0	0	0	0		0
Domestic Consumption	144	144	147	147		148
TOTAL Use	144	144	147	147		148
Ending Stocks	0	0	0	0		0
TOTAL DISTRIBUTION	144	144	147	147		148

PS&D Dairy, Milk, Nonfat Dry

PSD Table						
Country:	Mexico					
Commodity:	Dairy, Milk, Nonfat Dry (1000 Metric Tons)					
	2005		2006		2007	
	Old	New	Old	New	Old	New
Calendar Year Begin	01/2005		01/2006		01/2007	
Beginning Stocks	25	25	25	25		25
Production	172	166	175	170		170
Intra EC Imports	0	0	0	0		0
Other Imports	170	183	172	172		170
TOTAL Imports	170	183	172	172		170
TOTAL SUPPLY	367	374	372	367		365
Intra EC Exports	0	0	0	0		0
Other Exports	0	0	0	0		0
TOTAL Exports	0	0	0	0		0
Human Dom. Consumption	342	349	347	342		340
Other Use, Losses	0	0	0	0		0
Total Dom. Consumption	342	349	347	342		340
TOTAL Use	342	349	347	342		340
Ending Stocks	25	25	25	25		25
TOTAL DISTRIBUTION	367	374	372	367		365

NOTE: Mexico does not separate official statistics on production and consumption of powdered milk (NFDM and WMP). Post estimates for milk powder production NFDM and WMP are based on interviews with industry associations, government and LICONSA. The above production, import and consumption figures include both WMP and NFDM as production and consumption figures for WMP and NFDM are not regularly separated or registered separately.

PRODUCTION OF FLUID MILK BY STATE
(000 LITERS)

STATES	2004	2005	2006	% Change 05/06
AGUASCALIENTES	402,541	367,967	390,119	6.0
BAJA CALIFORNIA	208,752	180,153	183,215	2.0
BAJA CALIFORNIA SUR	42,982	42,551	43,494	2.0
CAMPECHE	33,270	33,726	35,672	6.0
COAHUILA	1,087,526	1,178,897	1,228,394	4.0
COLIMA	34,384	34,559	34,420	0.0
CHIAPAS	300,050	299,830	324,826	8.0
CHIHUAHUA	784,031	802,116	785,316	(2.0)
MEXICO CITY	13,039	12,955	13,722	6.0
DURANGO	958,776	950,576	992,834	4.0
GUANAJUATO	664,786	649,432	648,027	0.0
GUERRERO	78,036	79,692	75,498	(6.0)
HIDALGO	411,105	413,567	419,065	1.0
JALISCO	1,701,291	1,711,221	1,712,462	0.0
MEXICO	490,145	481,779	464,835	(4.0)
MICHOACAN	312,874	323,231	321,121	(1.0)
MORELOS	17,798	18,126	18,218	1.0
NAYARIT	67,438	65,423	65,088	(1.0)
NUEVO LEON	41,441	38,280	38,586	1.0
OAXACA	143,180	140,149	144,325	3.0
PUEBLA	364,452	369,398	365,669	(1.0)
QUERETARO	209,328	210,942	215,813	2.0
QUINTANA ROO	4,590	5,250	5,331	2.0
SAN LUIS POTOSI	144,523	142,686	144,312	1.0
SINALOA	77,243	83,388	85,183	2.0
SONORA	136,375	149,853	143,441	(4.0)
TABASCO	99,432	106,936	116,784	9.0
TAMAULIPAS	30,015	29,985	33,942	13.0
TLAXCALA	141,560	96,434	102,318	6.0
VERACRUZ	719,360	677,888	682,753	1.0
YUCATAN	7,749	6,788	6,753	(1.0)
ZACATECAS	145,684	151,028	156,601	4.0
TOTAL	9,873,755	9,854,805	9,998,138	1.0

SOURCE: Agriculture Secretariat (SAGARPA)

MEXICO'S MONTHLY FLUID MILK PRODUCTION
(000 LITERS)

MONTH	2004	2005	2006	% Change 05/06
JANUARY	746,674	757,432	773,554	2.0
FEBRUARY	747,800	744,403	763,769	3.0
MARCH	765,109	764,056	772,372	1.0
APRIL	763,177	773,643	788,637	2.0
MAY	800,716	793,726	802,565	1.0
JUNE	807,373	822,665	820,644	0.0
JULY	858,744	877,445	891,210	2.0
AUGUST	919,976	896,477	N/A	N/A
SEPTEMBER	932,720	903,357	N/A	N/A
OCTOBER	864,940	879,657	N/A	N/A
NOVEMBER	839,771	841,014	N/A	N/A
DECEMBER	826,755	800,928	N/A	N/A
TOTAL	9,873,755	9,854,805	N/A	N/A

SOURCE: Agriculture Secretariat (SAGARPA)

AVERAGE MILK PRICES PAID TO PRODUCERS IN MEXICO BY STATE
(PESOS PER LT.)

STATE	2004	2005	VAR. % 04/05
AGUASCALIENTES	3.11	3.67	18.0
BAJA CALIFORNIA	4.28	4.73	11.0
BAJA CALIFORNIA SUR	4.17	6.15	47.0
CAMPECHE	4.00	4.50	13.0
COAHUILA	3.15	3.67	17.0
COLIMA	3.61	5.35	48.0
CHIAPAS	3.51	3.15	(11.0)
CHIHUAHUA	4.85	4.11	(18.0)
MEXICO CITY	5.37	6.05	13.0
DURANGO	3.71	3.80	2.0
GUANAJUATO	3.18	4.03	27.0
GUERRERO	5.26	5.83	11.0
HIDALGO	3.31	3.57	8.0
JALISCO	3.21	3.38	5.0
MEXICO	3.48	3.57	3.0
MICHOACAN	3.82	3.97	4.0
MORELOS	4.67	4.65	0
NAYARIT	3.49	3.49	0
NUEVO LEON	3.55	3.65	3.0
OAXACA	5.57	5.83	5.0
PUEBLA	3.47	3.57	3.0
QUERETARO	3.53	3.69	5.0
QUINTANA ROO	3.69	3.68	0
SAN LUIS POTOSI	3.35	3.63	8.0
SINALOA	3.42	3.42	0
SONORA	3.95	3.98	1.0
TABASCO	3.40	3.44	1.0
TAMAULIPAS	4.19	4.52	8.0
TLAXCALA	3.54	3.75	6.0
VERACRUZ	3.32	3.51	6.0
YUCATAN	4.40	4.64	5.0
ZACATECAS	3.62	3.75	4.0
AVERAGE PRICE	3.50	3.76	7.0

SOURCE: Agriculture Secretariat (SAGARPA)

SECTION III. NARRATIVE ON SUPPLY, DEMAND, POLICY & MARKETING**Fluid Milk****Production**

Fluid milk production in Mexico continues to grow steadily and is forecast at 10.26 MMT in 2007. Continued improvements in herd management techniques among Mexico's larger dairies, increased demand from processors and from LICONSA to meet the needs of the government's social programs, along with improved prices paid to domestic producers, will likely support higher production in 2007. Despite increasing modernization among larger dairies, a number of factors continue to plague small and medium producers such as poor sanitation and genetics, inadequate cold storage and refrigeration facilities, lack of affordable financing, and poor infrastructure in more remote areas. Higher production estimates for 2006 and 2007 reflect changes in feeding patterns as farmers are being paid more for their milk thus allowing them to shift to better quality feeds. The fluid milk production estimate for 2005 reflects official data.

Consumption

Mexico's total fluid milk consumption for 2007 is forecast at 10.26 MMT, as dairy processors increase usage and LICONSA expands its use of domestic fluid milk to augment its use of reconstituted milk powder in its social programs. It is estimated that LICONSA distributes almost 3.15 million liters of subsidized milk per day at the current price of 3.50 pesos per liter (US\$0.32) to Mexico's poor who depend on the government social program for low-priced milk. For 2006 and 2007, LICONSA expects to increase utilization of domestic fluid milk, which could impact milk powder imports. In 2005, LICONSA is estimated to have purchased 278 million liters of domestically produced raw fluid milk from small and medium producers. For 2006 LICONSA expects to purchase 420 million liters of domestically produced raw fluid milk.

Due to higher production of fluid milk in the first half of 2006, LICONSA is increasing purchases and expanding distribution of fluid milk, contributing to the expected overall increase in fluid milk consumption for 2006. Consumer prices in Mexico are currently 8.36 pesos per liter for pasteurized milk (US\$0.75) and 9.19 per liter of UHT milk (US\$0.83). More widespread consumption of fluid milk continues to be hampered by problems with sanitation, transportation, and processing capacity, although supplies and quality are improving. Total consumption in 2005 reflects official data.

LICONSA serves as an important alternate buyer for many smaller and more remote producers who are not members of cooperatives or are located far from milk processors. While LICONSA currently pays producers a government mandated price similar to, or above the market price, discounts are applied for lower quality milk and for excessive distances from the farmers location to LICONSA's collection centers that the vehicles have to travel to pick-up the milk. Producers are under weekly or monthly supply contracts. (see Policy section below)

Trade

Fluid milk imports for 2007 are expected to remain relatively unchanged given that utilization of domestically produced fluid milk will likely continue to grow at the expense of imports. However, retailers in many of Mexico's border states continue to source fluid milk from the United States for logistical reasons and to compensate for domestic supplies that are being bid away by LICONSA and processors in the interior of Mexico.

Following the detection of BSE in the United States in 2003, Mexico banned imports of U.S. dairy cattle. As a result, Mexico diversified its sources of dairy cattle, looking to suppliers in New Zealand and Australia. Mexico ended the ban on U.S. dairy cattle in October 2006, and trade is expected to quickly resume, with the first shipments expected by late October or early November. In 2005, Mexico imported 23,895 head of dairy cattle from New Zealand and 12,823 head from Australia. Through June 2006, Mexico has imported 25,084 head from New Zealand and 8,115 head from Australia.

Policy

The main objective of the Mexican government's dairy policies is to encourage milk producers to improve efficiency and productivity levels. The expected unchanged level of imports of fluid milk from the previous year, particularly into northern Mexico, is much the result of increased domestic fluid milk production. Shipments to Mexican border-states have also been affected by local governments' response to pressure from Mexico's domestic producers to discourage imports of U.S. retail-pack milk.

In 2005, LICONSA purchased approximately 278 million liters of fluid milk as part of Mexico's program to purchase and distribute domestic milk. For 2006, LICONSA is expected to purchase approximately 420 million liters. Mexico's Federal Income Law (Ley de Ingresos de la Federacion para el Ejercicio) authorizes Congress to mandate the price LICONSA pays domestic producers for fluid milk in a given fiscal year. As a result of increased pressure from Mexico's small and medium producers, who complained of oversupplies and limited market outlets for their milk, the Chamber of Deputies (Camara de Diputados) mandated that LICONSA pay a maximum of 3.84 pesos (\$0.35 U.S.) per liter in 2006. This price represents a maximum, and LICONSA may pay less depending on the quality of the milk and distance from the collection center. In 2005, prices paid by LICONSA ranged from 3.20 to 3.60 pesos per liter (\$0.29 to \$0.32).

Marketing

See dairy products marketing section at the end of this report.

CHEESE

Production

Cheese production for CY 2007 is forecast to increase slightly from the previous year's revised estimate due to continued growth in fluid milk production and strong demand. Cheese output for 2005 reflects official data.

Consumption

The 2007 cheese consumption forecast shows a slight increase from the previous year's revised estimate as a result of the improved purchasing power of the general population and increasing demand from the fast-food industry, institutional users, and specialty cheese consumers. The cheese consumption estimate for 2006 is revised upward reflecting more recent data from the National Dairy Association and government sources. For 2005, the estimate is revised upward reflecting official data.

Trade

The cheese import forecast for 2007 is forecast slightly higher reflecting continued demand for cheeses not manufactured in Mexico, which are utilized by fast food restaurants, institutional users and specialty cheese consumers. The 2006 import estimate remains unchanged from the previous figure reflecting current data from the National Dairy Association and government sources. For 2005, imports reflect official data.

Policy

See dairy products policy section at the end of this report.

Marketing

See dairy products marketing section at the end of this report.

BUTTER**Production**

All Mexican statistics on butter and butterfat production are combined. Butter and butterfat production for CY 2007 is forecast slightly upward from the previous year's estimate owing to steady demand from Mexico's bakery and confectionary industry. The 2005, butter production estimate reflects official data.

Consumption

Butter consumption for 2007 is forecast slightly upward from the previous year's figure due to the expected increase in usage from the bakery and confectionary industry and from the population in general. Consumption figures for butter and butter fat for 2006 and 2005 remain unchanged from the previous estimate reflecting current information from the National Dairy Association and industry sources.

Stocks

In line with past years, no stocks are estimated due to the lack of refrigerated storage space among producers and end users. Users such as bakeries, confectioners and food processors, according to industry sources, do not keep large stocks of butter.

Trade

The butter import forecast for 2007 is expected to remain unchanged from the previous year's estimate due to an expected increase in domestic production. Imports for 2006, are forecast to remain unchanged as demand for imported butter is expected to remain largely unchanged in light of trends toward lower fat dairy products and other foods by certain sectors of the population. The estimate for 2005 reflects official data.

Policy

See dairy products policy section at the end of this report.

Marketing

See dairy products marketing section at the end of this report.

NON-FAT DRY MILK (NFDM) and WHOLE MILK POWDER (WMP)

Production

The Government of Mexico combines NFDM and whole milk powder in its production and consumption estimates. Consequently, the NFDM PS&D contains estimates that reflect both NFDM and WMP production and consumption. Mexican NFDM producers are not expected to significantly increase production in the short term due to production limitations. Output for 2007 is forecast to remain unchanged from the previous year's revised estimate. The production estimate for 2006 is revised downward reflecting expectations that dairy processors and LICONSA will continue to utilize domestically produced fluid milk. The 2005 estimate reflects official data.

Consumption

Consumption of NFDM by the private industry and LICONSA is forecast to slightly decrease in 2007 due to the increased usage of fluid milk at the expense of imported and domestically produced milk powder. The NFDM consumption estimate for 2006 is revised downward much for the same reason as above. The 2005 estimate reflects official data.

Stocks

Ending stocks are expected to remain unchanged from previous years as LICONSA continues its policy of minimizing storage costs. In previous years, LICONSA had tried to maintain larger stock levels to avoid imports during the early part of the calendar year when domestic milk prices are typically highest. Stocks held by the private sector are minimal.

Trade

Mexico continues to be far from reaching self-sufficiency in WMP and NFDM production because of insufficient domestic processing capacity. LICONSA is expected to maintain its current distribution levels for milk in response to demand for social programs targeted at lower-income consumers. For 2007, the NFDM import forecast has been decreased from the previous year's figure due in part to increased domestic production of fluid milk and to the pressure exerted on the government authorities by the domestic milk producers to reduce imports of NFDM. It is a known fact that Mexico still needs to supplement domestic production with external supplies as domestic production of powdered milk is limited, therefore, imports, although possibly at a lower rate, are expected to continue in the short and possibly in the medium term. For CY 2005, the NFDM import estimate reflects official data.

LICONSA imports about 100,000 MT of milk powder per year. For 2006, LICONSA is expected to import 55,462 MT under the WTO tariff rate quota (TRQ), 39,538 MT under the NAFTA TRQ, and 5000 MT of dairy blends. (Most, or about 55 percent, of LICONSA's milk powder imports are NFDM) However, LICONSA's pace could slow during the second half of 2006 if it continues to purchase excess production of fluid milk under the Government's purchasing program. Through July 2006, LICONSA has imported 22,572 MT of NFDM from the United States, 26,226 MT of WMP from New Zealand, and 5,500 MT of WMP from Argentina.

Policy

See dairy products policy section at the end of this report.

Marketing

See dairy products marketing section at the end of this report.

DRIED WHEY**Production**

No production figures are available from any of the current sources of information used for the writing of this report.

Consumption and Trade

Imports of whey from the United States are higher in 2006 reflecting in part, the growing market for milk substitutes made from whey. Sales of milk substitutes are high among Mexico's lower-income population since these products are more affordable than higher-priced fluid milk products. According to industry sources, the government tolerates the sale of milk substitutes since they complement social milk programs for the poor and needy in areas outside of LICONSA's reach. The most recent WTA data shows that 2006 (Jan-Jul) imports of whey (0404) from the United States were 57,359 MT, compared to a 63,995 MT for all of 2005. The U.S. import figure for 2006 (Jan-May) represents about 98 percent of total imports.

POLICY

With the exception of powdered milk (and dairy blends – see below), U.S. exports of dairy products to Mexico are duty-free. Milk powder exports (NFDM and WMP) to Mexico are subject to a tariff-rate quota (TRQ), which will be phased out in 2008. At the beginning of NAFTA there was a duty-free quota of 40,000 MT for NFDM with an over-quota tariff rate of 133.4 percent or \$1,113.6/MT, whichever was greater. For 2007, the tariff-rate quota is 58,741 MT and the tariff is down to the greater of 11.8 percent or \$98.0/MT. By January 1, 2008, the tariffs on U.S. milk powder exports to Mexico will be eliminated. Private companies bid for import permits (cupos) that allow them to import a specific quantity under the TRQ at zero duty. LICONSA is not subject to the TRQ and may import any quantity of milk powder at zero duty to meet its program needs.

In September 2006, Mexico announced that it would temporarily impose a 110 percent tariff on dairy blends as a response to a WTO authorized retaliation for the U.S. implementation of the Byrd Amendment. The tariff will be applied to imports of preparations made from milk products with a milk solids content in excess of 50 percent by weight entered under tariff code 1901.90.05. The tariff will be enforced until October 31, 2006. (see MX6078 and MX5074)

Mexico recently ended its ban on imports of U.S. dairy cattle, which was imposed in 2003 following the detection of BSE in the United States. Exports of U.S. dairy cattle were authorized to resume on October 4, 2006. Export requirements can be found on the USDA

Animal and Plant Health Inspection Service (APHIS) website:
<http://www.aphis.usda.gov/vs/ncie/iregs/animals/mx.html>

MARKETING

Mexico is the largest and most rapidly growing market for U.S. dairy exports, and is the top market for U.S. non-fat dehydrated milk, fluid milk, cheese, yogurt, and ice cream. World exports of dairy products to Mexico were valued at almost US \$1.4 billion in 2005.

Distributors and importers are key to exporting dairy products to Mexico since few of the major food service chains import directly. Retail buyers cite inadequate distribution -- the inability to provide supply continuity and on time delivery -- as the major reason why new-to-the-market US products fail in their stores.

It is important for U.S. firms to have someone -- an agent or reliable distributor -- who can maintain regular contact with buyers, interface with the government, handle the required paperwork, and ensure that customer service is maintained. There are only a few national distributors with the capability to handle food items, so it is not uncommon for a U.S. exporter to have multiple distributors to supply the major regional markets.

The most up-scale supermarkets in Mexico are as modern as any stores in the United States and cater primarily to upper-income consumers. Virtually all imported food items are currently purchased through Mexican-based distributors. These distributors must deliver almost daily, or at least weekly, to each of the retailer's outlets to be competitive. This enables the chains to keep inventories at a minimum, avoid investment in large centralized storage, and bypass importing.

The cooperator group that represents the US dairy industry in foreign markets is the U.S. Dairy Export Council (USDEC). The council's staff in the city of Queretaro provides information on all aspects of the U.S. dairy product trade and use, including market intelligence on trade policy issues, organizing informational seminars for the Mexican trade, and developing promotion and sales opportunities for U.S. dairy products in the Mexican market. USDEC also organizes buying missions for potential Mexican importers/distributors to visit U.S. dairy processing plants so they can meet and see, firsthand, various U.S. suppliers and the services they offer.

Mexico is expected to continue as a significant importer of dairy products to augment domestic production. While imports are likely to consist primarily of bulk products such as NFDM, higher value products such as specialty cheeses and ice creams are also likely to find a home in Mexico's growing consumer class as tastes, preferences, and shopping habits increasingly mirror those of the United States and Europe.

US Dairy Export Council (USDEC)
Calle Regules No. 2, Int. 3, Esquina Madero
Col. Centro
Queretaro, Queretaro
Phone: (442) 215-9613 and 215-9552
<http://www.usdec.org>

Related FAS/Mexico Reports

Report Number	Title of Report	Date
MX5012	Mexico Announces TRQ for Milk Powder Imports from WTO Member Countries	02/01/05
MX5032	Mexico Amends the Allocation of the 2005 Tariff-Rate Quota for Milk Powder	04/11/05
MX5040	Mexico Announces Worldwide Tariff-Rate Quota for Egmont Cheese	05/06/05
MX5044	Dairy Semi-Annual Report	05/16/05
MX5070	Mexico Establishes 2005 Additional Volume on Out-of-Quota Milk Powder Imports	08/17/05
MX5074	Mexico Announces Retaliatory Tariffs in Response to Byrd Amendment	08/22/05
MX5075	Mexican Customs Establishes Grace Period for Correcting Errors in Import and Export Documentation	08/29/05
MX5077	Livestock Annual	09/01/05
MX5081	Mexico Establishes 2005 Additional Out-of-Quota Milk Powder Imports	09/12/05
MX5082	Mexico Announces the TRQ for Feeder Cattle Imports from Countries with Animal Health Agreements Celebrated with Mexico	09/19/05
MX5096	Dairy Annual	05/15/05
MX6001	TRQ Dairy Preparations	01/09/06
MX6002	TRQ Milk Powder WTO	01/09/06
MX6003	TRQ Milk Powder USA	01/09/06
MX6010	Livestock Semi-Annual	02/01/06
MX6024	Mexico Announces TRQ Issuance Date for Milk Powder Imports	03/22/06
MX6039	Dairy Semi-Annual	05/15/06
MX6068	Livestock Annual - Revised	08/01/06
MX6078	Retaliatory Tariff in Response to Byrd Amendment	09/13/06